O/Flours Mills/53.

PHE

1953

File No. 89/53

Legal Department

Q.

BRANCH [redacted]

Subject:— Opinions under the [redacted]

Bombay Flours Mills (Control)

Licensing Order, 1949

O/Flour Mills/53

File No. 89/53

Gen. 194 e.

C O N T E N T S.

Legal Department File No. O. Flour Mills /53.

Sr. No.	R.I. / O. No.	Subject	Pages.
		Opinionsxxx under the Bombay Flour Mills (Chakki) Licensing Order, 1949.	
1.	O-541 9-9-53.	Whether the licensing authority has power to suspend the licenses pending prosecution against the licensee.	1.
2.	O-530 3-9-53.	Whether it is necessary for the licensing authority to communicate the reasons to the licensee about the refusal of grant of license to him.	3.
3.	O-652 22-10-53.	Whether the licensing authority has the power to forfeit either the whole or part of the deposit.	5.

[illegible] 14/8.

Legal Department.

It is true that the installation of a rice huller and milling of rice therein, amount to breach of the provisions of the Bombay Rice Mills Licensing Order, 1949 and not of the Bombay Flour Mills (Chakki) Licensing Order, 1949. But under clause 7 of the Bombay Flour Mills (Chakki) Licensing Order, 1949 as amended on the 28th May 1952, the licensing authority has power to cancel or suspend a flour mill licence even for carrying of the business of milling rice in the premises of the flour mill. There-fore the licensing authority's action in suspending the flour mills' licences of Shri Gandhi for the offences of milling rice is legally valid and cannot be said to be without lawful authority. It is the licensee who is authorized to carry on the business of grinding foodgrains into flour under the licence issued in form III to the Bombay Flour Mills & (Chakki) Licensing Order. The Licensing authority cannot recognize and agreements entered into by the licensee with third parties. The Licensing Authority would only hold the licensee responsible for the breaches of the orders. Consequently the licensee should see that the provisions of the Bombay Flour Mills (Chakki) Licensing Order or of the Bombay Rice Mills Licensing Order are not contravened by him or by his servants or agents. On his failure to do so the licenses issued to him can be suspended under clause 7 of the Bombay Flour Mills (Chakki) Licensing Order, 1949. In view of the words "without prejudice to any other action occuring in clause 7, the licensing authority has power to suspend the licences pending prosecution against the licensee. The View taken by the Civil Supplies Department is therefore correct.

Sd/-

Secretary to Government.

U.R. to C.S.D., No. G-543, dated the 9th September 1953.

Legal Department.

Clause 8 of the Bombay Flour Mills (Chakki) Licensing Order, 1949 provides that the Licensing Authority may for reasons to be recorded in writing refuse to grant a licence to any person. If any person is refused licence and if he desires to know the reasons, the Licensing Authority will have to communicate the reasons to him.

Sd/-

Secretary to Government.

U.R. to C.S.D., No. G-530, dated the 3rd September 1955.

EVY. 14/8.

Office of the R.L.A.

Clause 7 of the Bombay Flour Mills (Chakki) Licensing Order, 1949 provides that the deposit may be forfeited either in whole or in part if the licensee contravenes any of the provisions of the Order of the conditions of his licence. In this case, the licensee has sold the business and transferred the licence. By this act, the licensee has not contravened any provisions of the Order or any condition of here licence. The contention of the licensee that by law she was not required to give intimation to the Licensing Authority of the transfer of the flour-mill is correct. The Licensing Authority has therefore no authority to forfeit either the whole or part of the deposit. Only the transferee can be prosecuted for running the millxx without a licence.

Sd/-

Remembrancer of Legal Affairs.

U.R. to C.S.D., No. G-652, dated the 22nd October 1953

EVY. 14/8.